THE HON'BLE Ms. JUSTICE G. ROHINI

WRIT PETITION NO.15495 OF 2006

DATED: 25TH AUGUST, 2006.

Between :

Sri G. N. Singotyam … Petitioner

And

1. The Andhra Pradesh State Road Transport Corporation, rep. by its Vice-chairman-cum-Managing Director, Musheerabad, Hyderabad, And another. .. Respondents

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WRIT PETITION NO.15495 OF 2006

ORDER :

This writ petition is filed seeking a declaration that the action of the respondent Corporation in insisting on furnishing Bank Guarantee as a condition for issuance of a clearance certificate in respect of the petitioner's Bus bearing No.AP-03-U-3929 as arbitrary and illegal.

It is not in dispute that the petitioner entered into an agreement with the Corporation for hiring the vehicle in question of plying by the Corporation and the period of agreement had already expired. It is alleged that the respondent Corporation did not return the registration certificate of the vehicle and did not issue clearance certificate and even hire charges were not paid on the ground that the vehicle involved in a fatal accident on 15-11-2005, in respect of which Cr.No.69 of 2005 was registered on the file of Penumur police station for the offence under Section 304-A of IPC, which is pending. The respondent Corporation admitted that no claim has been made so far claiming compensation under the Motor Vehicles Act.

The question, whether the Corporation is justified in insisting on furnishing the bank guarantee in such circumstances, has been considered by this Court in W.P.No.9960 of 2006, and by order dated 25-5-2006, this Court held that it would be suffice if the owner of the vehicle is directed to furnish an undertaking to the effect that he would indemnify the respondents from any liability arising out of the accident.

I have heard the learned Counsel for the petitioner and the learned Standing Counsel for the respondents appearing for the Corporation.

In the case on hand, admittedly no claim petition has been filed so far seeking compensation with regard to the accident took place on 15-11-2005.

In the circumstances, I deem it appropriate to dispose of the writ petition with a direction to the respondents to issue clearance certificate and to pay the hire charges to which the petitioner is entitled to subject to the condition that the petitioner submits a written undertaking before the respondents to the effect that he would indemnify any liability arising out of the accident took place on 15-11-2005 in case any claim is made under the Motor Vehicles Act in respect of the accident.

Writ Petition is accordingly disposed of. No costs.

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G. ROHINI, J.

Dt. 25-08-2006

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